

I.P.U.C. No. 1

First Revision of Sheet No. 12R.2
Canceling Original Sheet No. 12R.2**1. CONDITIONS AND DEFINITIONS (continued)****(c) Engineering Costs -- (continued)**

If the Applicant or Customer requests changes that require additional estimates, they must advance the Company's estimated Engineering Costs, but not less than the minimum specified in Schedule 300 for each additional estimate. The Company will not refund or credit this payment.

(d) Extension -- A branch from, or a continuation of, a Company owned transmission or distribution line, where a line has not been removed, at customer request, within the last 5 years. An extension may be single-phase, three-phase, a conversion of a single-phase line to a three-phase line or the provision of additional capacity in existing lines or facilities. The Company will own, operate and maintain all Extensions made under this regulation.**(e) Extension Allowance --** The Extension Allowance is the portion of the Extension that the Company provides or allows without cost to the Applicant. The portion will vary with the class of service that the Applicant requests. The Extension Allowance does not include costs resulting from: additional voltages; duplicate facilities; additional points of delivery; or any other Applicant requested facilities that add to, or substitute for, the Company's standard construction methods or preferred route. An Extension Allowance will be provided only if the Company has reasonable assurance as to the permanent continuation of required revenue. The Extension Allowance is not available to customers receiving electric service under special pricing contracts.**(f) Extension Costs --** Extension Costs are the Company's total costs for constructing an Extension using the Company's standard construction methods, including services, transformers and meters, labor, materials and overheads.**(g) Extension Limits --** The provisions of this regulation apply to Line Extensions that require standard construction and will produce sufficient revenues to cover the ongoing costs associated with them. The Company will construct Line Extensions with special requirements or limited revenues under the terms of special contracts.

Examples of special requirements include, but are not limited to, unusual costs incurred for obtaining rights-of-way, overtime wages, use of special equipment and facilities, accelerated work schedules to meet the applicant's request, or non-standard construction requirements.

(Continued)

2. RESIDENTIAL EXTENSIONS

(a) Standard Residential

(1) Extension Allowances

The Extension Allowance for standard residential applications includes transformation facilities, meter and Service Conductors. Transformation facilities and Service Conductors may serve more than one customer.

Transformation facilities for overhead systems include the transformer, associated fuses, lightning arresters, grounds and supporting racks. The Company, at its discretion, may substitute secondary voltage conductors for transformation facilities. Transformation facilities for underground systems include the transformer and grounds.

The Service Conductor allowance includes the conductors, connectors and other equipment necessary to make the service connection. This allowance provides a maximum of 100 linear feet from a pole, connection box or transformer to the Point of Delivery.

The Applicant must advance the costs exceeding the Extension Allowance prior to the start of construction.

(2) Additional Customers, Advances and Refunds

A Customer that pays for a portion of the construction of an Extension may receive refunds if additional Customers connect to the Extension. The Customer is eligible for refunds during the first five (5) years following construction of an Extension for up to four additional Customers. Each of the next four Customers utilizing any portion of the initial extension must pay the Company, prior to connect, 20% of the cost of shared facilities. The Company will refund such payments to the initial Customer.

(b) Remote and Seasonal Service and Service to Unimproved Subdivisions

(1) Extension Allowances

Residential customers defined as Remote or Seasonal Service customers or those located in Unimproved Subdivisions, have the same Extension Allowance as Standard Residential Customers.

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2. RESIDENTIAL EXTENSIONS

(b) Remote and Seasonal Service and Service to Unimproved Subdivisions (continued)

(2) Contracts

The Company will make Extensions for Remote or Seasonal Residential Service or in an Unimproved Subdivision according to a written contract. The contract will require the Applicant to advance the estimated cost of facilities in excess of the Extension Allowance. The Applicant shall also pay a Contract Minimum Billing for as long as service is taken, but in no case less than 5 years.

(3) Additional Customers, Advances and Refunds

Customers that pay a portion of the construction of an Extension may receive refunds if additional Applicants connect to the Extension. The Customer is eligible for refunds during the first five (5) years following construction of the Extension for up to four additional Customers. Each of the next four Customers utilizing any portion of the initial extension must pay the Company, prior to connection, 20% of the cost of shared facilities. The Company will refund such payments to the initial Customer.

Additional Applicants must share the Facilities Charges of existing Customers.

Additional Applicants also must pay the estimated cost of any facilities exceeding the Extension Allowance.

(c) Three Phase Residential Service

In addition to other applicable charges, where three phase residential service is requested, the Applicant shall pay the difference in cost between single phase and three phase service.

(d) Underground Extensions

The Company will construct underground Extensions when requested by the Applicant or if required by local ordinance or conditions. For underground, in addition to the preceding sections, the Applicant must provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension. If the Applicant requests, the Company will provide these items at the Applicant's expense.

For conversion of any existing overhead facilities to underground, the terms of Section 6 of this regulation apply.

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3. NONRESIDENTIAL EXTENSIONS

(a) **Extension Allowances – Delivery at 44,000 Volts and above**

The Company will grant Customers taking service at 44,000 volts or greater an extension allowance of the meter, current transformers and potential transformers necessary to measure the Customer's usage.

The Customer must pay a Contract Minimum Billing for as long as service is taken.

(b) **Extension Allowances – Delivery at less than 44,000 Volts**

(1) **Less than 1,000 kW**

The Company will grant Nonresidential Applicants requiring less than 1,000 kW an Extension Allowance of \$90 per kW of estimated load. The Applicant must advance the costs exceeding the Extension Allowance prior to the start of construction.

The Company may require the Customer to pay a Contract Minimum Billing for five years.

(2) **1,000 kW or Greater**

The Company will grant Nonresidential Applicants requiring 1,000 kW or greater an Extension Allowance of \$90 per kW of estimated load. The Applicant must advance the costs exceeding the Extension Allowance. Fifty percent of the advance is due when the contract is executed with the remaining balance due upon completion of the Extension.

The Customer must pay a Contract Minimum Billing for as long as service is taken, but in no case less than five years. If service is terminated within the first 10 years, the Customer must pay a termination charge equal to the Extension Allowance less 1/10th of the allowance for each year service was taken.

(3) **Remote Service**

The Company will grant Applicants for Remote Nonresidential Service an Extension Allowance of \$90 per kW of estimated load.

The Applicant must advance the costs exceeding the Extension Allowance prior to the start of construction. The Applicant must also pay a Contract Minimum Billing for as long as service is taken, but in no case less than five years.

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3. NONRESIDENTIAL EXTENSIONS (continued)**(c) Additional Customers, Advances and Refunds**

A Customer that pays for a portion of the construction of an Extension may receive refunds if additional Customers connect to the Extension. The Customer is eligible for refunds during the first five (5) years following construction of an Extension for up to four (4) additional Customers. Each of the next four (4) Customers utilizing any segment of the initial Extension must pay the Company, prior to connection, a proportionate share of the cost of the shared facilities. The Company will refund such payments to the preceding Customer(s).

$$\text{Proportionate Share} = (A + B) \times C$$

Where:

$$A = [\text{Shared footage of line}] \times [\text{Average cost per foot of the line}]$$

$$B = \text{Cost of the other shared distribution equipment, if applicable}$$

$$C = [\text{New additional connected load}] / [\text{Total connected load}]$$

Additional Customers also must share the Facilities Charges of the existing Customers. The Company will allocate the Facilities Charges in the same manner used for allocating the original advance.

(d) Underground Extensions

The Company will construct underground Extensions when requested by the Applicant or if required by local ordinance or conditions. For underground, in addition to the preceding sections, the Applicant must provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension. If the Applicant requests, the Company will provide these items at the Applicant's expense.

For conversion of any existing overhead facilities to underground, the terms of Section 6 of this regulation apply.

(e) Other Requirements

When the Extension is to property that is not part of an improved development, the Company may require the Applicant to pay for the line Extension within or along side Applicant's property as part of installing a loop feed or to provide for future development.

(f) Street Lighting

The Extension Allowance to street lights taking service under Rate Schedule 11 or 12 is equal to five times the annual revenue from the lights to be added. The Applicant must advance costs exceeding the Extension Allowance prior to the lights being added.

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4. EXTENSIONS TO NON-RESIDENTIAL AND RESIDENTIAL PLANNED DEVELOPMENTS**(a) General**

Planned developments, including subdivisions and mobile home parks, are areas where groups of buildings or dwellings may be constructed at or about the same time. The Company will install facilities in developments before there are actual Applicants for service under the terms of a written contract.

(b) Allowances and Advances

For nonresidential developments the Developer must pay a non-refundable advance equal to the Company's estimated installed costs to make primary service available to each lot.

For residential developments the Company will provide transformers for the distribution grid within the development. The Developer must pay a non-refundable advance for all other costs to provide secondary to the individual lot lines.

For both nonresidential and residential developments the Company may require the Developer to pay for line Extensions within and alongside their development as part of installing a loop feed or to provide for future development.

(c) Refunds

The Company will make no refunds for facilities installed within a development. However, a Developer may receive refunds on an advance paid for a new Extension to, or backbone through, a development if additional customers connect to the Extension outside the development. The Developer is eligible for these refunds during the first five years following construction of the Extension for up to four additional Customers. The Developer may waive refunds, without diminishing the number of future refunds within the five year time frame, when the additional Customer does not occasion a refund of at least 20% of the original advance. Each additional Customer who owes a refund must, prior to connection, pay the Company under the terms of Advances and Refunds for Non-Residential Customers. The Company will refund such payments to the Developer.

(d) Underground Extensions

The Company will construct underground Extensions when requested by the Developer or required by local ordinances or conditions. For underground, in addition to the preceding sections, the Developer must provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires. If the Developer requests, the Company will provide these items at the Developer's expense.

For conversion of any existing overhead facilities to underground, the terms of Section 6 of this regulation apply.

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5. EXTENSION EXCEPTIONS (continued)

- (3) The Customer is also responsible for electric service supplied under the appropriate rate schedule; any advances required for sharing previous Extensions; and, depending on the customer class, Contract Minimum Billings.
- (4) If a Customer takes Temporary Service continuously for 60 consecutive months, the Company will classify the Extension as permanent and refund any payment the Customer made over that required of a permanent Customer. The Company will not refund the Facilities Charges.
- (f) **Line Capacity in Excess of that Required**
If the Company desires to construct lines having a larger capacity or more expensive type of construction than is practical under the circumstances or necessary in accordance with sound engineering standards and practices to supply the energy requirements of Customers who obtain service in accordance with this regulation, the cost of construction of that additional line capacity shall be borne completely by the Company and not be considered in determining the Contract Minimum Billing or advances made by Applicants for service.

6. RELOCATION OR REPLACEMENT OF FACILITIES

- (a) **Relocation of Facilities**
If requested by an Applicant or Customer the Company will: relocate distribution facilities on to, or adjacent to, the Customer's premises; and/or, replace existing overhead distribution facilities with comparable underground. Substation facilities and transmission voltage facilities will be relocated at the discretion of the Company.

For overhead to underground relocations, the new underground system must not impair the use of the remaining overhead system. The Applicant or Customer must elect either: to provide all trenching and backfilling, imported backfill material, conduits, and equipment foundations that the Company requires for the Extension; or, to pay the Company to provide these items.

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6. RELOCATION OR REPLACEMENT OF FACILITIES (continued)

In addition, the Applicant or Customer must advance the following:

- (1) The estimated installed cost of the new facilities plus the estimated removal expense of the existing facilities, less
- (2) The estimated salvage value plus accrued depreciation of the facilities to be removed.

This Advance is not refundable. The Company is not responsible for allocating costs and responsibilities among multiple Applicants.

(b) Local Governments

When required by a governmental entity in accordance with Idaho Code 50-2501 to 50-2523, the Company will replace existing overhead with underground distribution facilities provided the entity pays the Company in accordance with paragraph **6.(a)** above, and provided the entity adopts an ordinance creating an underground district requiring:

- (1) All existing overhead communication and electric distribution facilities be removed;
- (2) Each property owner to make the changes necessary to receive service from the underground facilities as soon as the Company makes them available; and,
- (3) Authorizes the Company to discontinue overhead service when it has completed construction of the underground facilities.

7. CONTRACT ADMINISTRATION ALLOWANCE

Customers may waive their right to receive refunds on a Line Extension advance. Customers who waive this right will receive a Contract Administration Allowance specified in Schedule 300. The customer's choice to receive the Contract Administration Allowance must be made at the time the Extension advance is paid.